

GOVERNOR KATHLEEN BABINEAUX BLANCO

2004 SPECIAL AND REGULAR SESSION ACCOMPLISHMENTS

A NEW WAY OF DOING BUSINESS

JUNE 2004

"For each of us, this session presents an opportunity for a new beginning and a renewed commitment to the responsibilities entrusted to us by our constituents. For me, this session presents the opportunity to move our state in a new direction. It's our chance to show the world that in Louisiana there is a new way of doing business."

Governor Kathleen Babineaux Blanco, from speech to the Legislature, February 29, 2004.

CREATING A STRONGER ECONOMY

LANDED "PROJECT U," A MAJOR ECONOMIC BOOST. With dogged persistence, and confidence in Louisiana's resources, Governor Blanco brought to Louisiana a major manufacturing facility that will employ 850 workers (in addition to another 150 supplier jobs the plant will create). Union Tank Car Company, the nation's largest manufacturer of railroad tank cars, will locate a production facility in Louisiana as a direct result of the Governor's leadership and the Legislature's support.

"Project U," as it was called, had been lost to Texas. But Governor Blanco refused to give up. Because of her diligence, determination, and her refusal to allow this project to get away -- Project U did a U turn.

Because of the leadership of the Governor and the Legislature, our state will soon have at least a thousand more of its citizens employed in good-paying manufacturing jobs. The project was an excellent example of coordination and cooperation among state departments -- including the Governor's Office, Louisiana Economic Development, Labor Department, and the Community and Technical College System.

Another important aspect of this project is that it shows that Louisiana can compete successfully with Texas and other states for good-paying manufacturing jobs. Our success sends a strong signal to our citizens that Louisiana has in place all the right elements for economic success.

ENDED JOB-KILLING BUSINESS TAXES. In the Special and Regular legislative sessions, Governor Blanco and the Legislature sent a strong message about Louisiana's commitment to job creation. By enacting legislation in the special session (HB 2 & 3 by Representative Hammett and Senator Mount) to phase out the corporate franchise tax on debt and the sales tax on manufacturing machinery and equipment, we set the stage for a stronger economy. We have signaled to the rest of the country that Louisiana is more hospitable than ever to new and existing business.

REFORMED THE REGULATION OF RIVER PILOTS. Because of the Governor's personal intervention and leadership, Louisiana river pilots and the Legislature reached a compromise that will end years of dispute and controversy. HB 1708 (by Representatives Pinac and Senators Dardenne, Hollis and

Boasso) passed after the Governor brokered a compromise between the authors, pilots, and industry representatives. The bill creates a single Pilotage Fee Commission and the Board of Louisiana River Pilot Review and Oversight. The compromise will help make several Louisiana ports more competitive with other Gulf Coast ports for shipping.

IMPROVED LOUISIANA'S IMAGE BY ENACTING STRONGER ETHICS LAWS. Governor Blanco believes that our political past has hurt us. One of the most discouraging things she hears from out-of-state CEOs is their negative perception of Louisiana. Many of these CEOs have avoided our state for years. That's why the Governor offered an ethics package designed to restore confidence in our government officials, and she's showing the way by applying tougher laws to herself first. Some examples:

Banned In-Session Fundraising for the Governor and Legislature. The Governor proposed and signed into law legislation (HB 1015 by Representative Lancaster and Senator Jones) to prohibit the Governor or any member of the Legislature from accepting a campaign contribution or loan during a regular legislative session.

Required that Lobbyist Disclosure Laws Apply to the Executive Branch. The Governor proposed and signed into law legislation (HB 1246 by Representative LaFleur and Senator Jones) requiring lobbyist disclosure for expenditures involving herself, her staff, and any member of the executive branch.

Required those Making Third-Party Expenditures to Report as Often as Candidates. The Governor proposed and signed into law a bill (HB 1126, by Representative Murray and Senator Jones and Irons) aimed at shedding more light on expenditures made by outside groups or individuals who attempt to influence our elections. Under this law, in the 20 days before an election making certain independent expenditures must report that spending within 48 hours, just as candidates must do.

Banned Secret Campaign Contributions. The Governor proposed and signed into law a bill (HB 530 by Representative Lancaster and Senator Jones) aimed at stopping individuals from making secret contributions to candidates by giving money in someone else's name.

Prohibited Conflicts of Interest from Members of the Louisiana Racing Commission. Governor Blanco proposed and signed into law a bill (HB 419 by Representative Pinac and Senator Hollis) that prohibits a horse owned by a state Racing Commission member from racing in Louisiana.

\$10 MILLION DEAL-CLOSING FUND. The Governor's budget includes \$10 million for a rapid response program that will allow her to respond quickly to economic development opportunities.

REFORMED LOUISIANA BANKING LAW TO ENCOURAGE INTERNATIONAL INVESTMENT. The Governor signed into law HB 911 (by Representative Lancaster and Senator Duplessis), which allows a foreign bank to open a branch or subsidiary bank in the state of Louisiana.

WORKED TO INCREASE LITERACY AND PRODUCTIVITY. Almost one-third of Louisiana's adults have literacy skills that do not meet the growing needs of an educated workforce. The Governor and the Legislature have recognized this problem, and through HCR 197 (by Representative Crane and Senator Ullo), they have established an Adult Literacy Task Force that will answer how Louisiana can better educate its adults. This initiative marks the first step in a project to move Louisiana's workforce towards better skills, higher pay, and a brighter outlook.

ENCOURAGED THE GROWTH OF WOMEN- AND MINORITY-OWNED BUSINESSES. Governor Blanco appreciates the important role Louisiana's minority- and women-owned businesses play in the present and future growth of our state's economy. She supported legislation (SB 726 by Senator Hollis and Representative Pinac) adding their representation on the Economic Development Council and has instructed the Louisiana Economic Development Department to put greater emphasis on delivering technical assistance and business support to women and minorities.

CREATED BROADBAND ADVISORY COUNCIL TO CLOSE THE DIGITAL DIVIDE IN LOUISIANA. Governor Blanco proposed and signed into law HB 1265 (by Representative Thompson and Senator Ellington), a bill creating the Louisiana Broadband Advisory Council. This body will develop a coordinated statewide broadband access and usage policy and a statewide plan to encourage cost-effective broadband access with particular emphasis on rural and underserved areas.

INCREASED FUNDING FOR RURAL HIGHWAYS. In the Governor's budget, \$17 million is designated for work on highways that are not part of the federal highway system.

PROMOTED HOME OWNERSHIP SO MORE LOUISIANIANS CAN REALIZE THE AMERICAN DREAM. Governor Blanco believes that government must help those Louisiana citizens who want to own their own home. Louisiana ranks fortieth in homeowner ownership among the fifty states based on the 2002 Census Abstract.

There are many housing and community development organizations across the state working to help people own their own homes. However, there is a need for coordinating these local efforts. In order to battle chronic poverty, increase the number of homeowners, and reduce the number of homeless, the Governor has taken action to unify these various development groups, pooling their resources to achieve progress for the entire state. HCR 76 (by Representative Richmond and Senator Irons) will create a task force to recommend regional and statewide strategies to move more Louisianans into their own homes.

BETTER MANAGEMENT OF STATE GOVERNMENT

RESTRAINED SPENDING AND STOPPED TAX INCREASES. At a time when many states have been forced to raise taxes, Louisiana overcame a \$500 million budget shortfall, balanced its budget and cut taxes on business by one billion dollars over seven years.

GIVING LOUISIANA A PROFESSIONAL AND WELL-MANAGED GOVERNMENT. Governor Blanco is dedicated to giving the citizens a government that is responsible, responsive, and is operated like a business. She believes that government should live within its means – that when times are tough, we should tighten our belts, just like the average family.

Governor Blanco doesn't believe her job is to give citizens more government. Her job is to produce and deliver a more effective and more honest government – one that helps create new jobs and an environment in which business can thrive.

Governor Blanco is dedicated to increasing the value of government services, not our taxes. Her Cabinet and staff are working to bring our state government in line with the best financial practices in the business world.

ESTABLISHED STATEWIDE GOALS FOR PERFORMANCE, COST SAVINGS AND CUSTOMER SERVICE. Governor Blanco has directed her Cabinet secretaries to develop goals for each of their departments – goals for performance, cost savings, and constituent service that will be posted on their websites, so that all citizens can view and measure their progress. This process is well underway.

STREAMLINING GOVERNMENT SERVICES. Governor Blanco is also working to streamline the permitting process for firms wishing to do business in Louisiana. Among other initiatives, her staff is investigating one-stop shopping for business registration and licensing.

The Governor has instructed the departments of Natural Resources, Wildlife and Fisheries, and Environmental Quality to eliminate the redundancies and overlap in their permitting processes. Already, the state has cut in half the time process for permitting an oil and gas well in Louisiana.

ENSURING TAX ASSESSMENTS THAT ARE FAIR AND TRANSPARENT. To address the crisis of confidence in our property tax system, Governor Blanco proposed legislation (HB 1700 by Representative Daniel and Senator Mount) to create a statewide ad valorem tax assessment database. This database – which now includes the vast majority of Louisiana parishes – will use information from assessment rolls from each parish. Once compiled, the state will place the entire database on the Internet, shedding light on an often-confusing system. The easy availability of this information – of the tax burden shared by friends and neighbors – will increase public confidence in our tax assessments.

PROTECTED AND FUNDED WHITE LAKE PROPERTY FOR PUBLIC ENJOYMENT. In the Sportsman's Paradise, areas like White Lake need to be accessible to the state's hunters, fishermen, and recreational naturalists. The governor supported legislation (SB 118 by Senator McPherson and Representative Farrar) to ensure that the White Lake property will be subject to the best management practices, for the benefit of present and future generations.

The legislation establishes an oversight committee within the Department of Wildlife and Fisheries -- the White Lake Property Advisory Board. The law provides that at least seven board members shall have expertise in scientific disciplines pertinent to the management and conservation of the natural resources found on the White Lake properties. Furthermore, members of the board cannot fish or hunt or engage in other recreational activities on the White Lake property at times and places when these activities are not also available to the general public.

A COMMITMENT TO EDUCATIONAL EXCELLENCE

MAKING A COMMITMENT TO EARLY CHILDHOOD EDUCATION. The Governor's budget provided \$49 million in continued funding to maintain LA-4 Early Childhood Education services in public and private schools. The LA-4 (pre-K) program will continue at the current funding level with a combination of state and TANF funds.

While proud of that commitment, the Governor realizes that is not enough. Therefore, Governor Blanco strongly supports the efforts of the Department of Education to seek federal funds to expand the current Pre-K program toward our goal of universal access. The Governor will continue to focus on strong accountability measures for our private and public Pre-K partners.

INCREASED THE MINIMUM FOUNDATION FUND. The Governor's budget increases MFP funding to a total of \$2.6 billion, which fully funds the new formula. Charter schools and the new recovery school district are also funded.

SUPPORTED THE ACCOUNTABILITY PROGRAM. The Governor's budget included \$52 million in continued funding for the Accountability Program, including \$1.3 million increased funding for High Stakes Remediation and Testing to continue our number-one ranked school accountability efforts, which focus on student achievement and the belief that every child can learn.

EMPOWERING SCHOOL SYSTEMS IN CRISIS TO AVOID STATE TAKEOVERS. Governor Blanco supported HB 1659 (handled by Representative K. Carter and Senator Duplessis), a bill that will make it less likely that troubled school districts will be taken over by the state. The bill limits the duties and responsibilities of school systems that are "academically in crisis." In affected school systems, the superintendent would have the authority to manage the district's daily affairs without School Board micromanagement.

If enacted, this bill would – at least for now – apply only to the Orleans Parish School system. But other school districts in this state could fall under its provisions as early as next year if their respective school boards do not take drastic, corrective action, focused on improved student achievement.

INCREASED FUNDING FOR OUR UNIVERSITIES. Governor Blanco is committed to a strong higher education system. The budget increased funding for colleges and universities. She did not balance the budget by imposing cuts on higher education.

In the Governor's budget, funding for mandated costs increases includes \$25.7 million from the state General Fund. \$5 million is provided for enrollment growth in Community Colleges and \$12.4 million is included for library and scientific equipment acquisitions. Endowed chairs and professorships also receive new funding of \$4.6 million. \$3 million in additional funding is provided for Health Care Workforce Development due to the critical need to meet existing healthcare employment demands. The La. Optical Network Initiative (LONI) to provide a link to the National Lambda Rail will receive \$3.2 million in start-up funds.

In order to ensure that our state's universities remain functional and funded, Governor Blanco supported a bill (HB 1062 by Representative Salter and Senator Hines) to authorize each university's governing board to charge a reasonable fee for operational expenses. The board that actually controls the university's budget now has the power to keep that budget balanced without overcharging students or taxpayers.

LANDED A SPOT ON THE LAMBDARAIL. The LambdaRail will link the country's most powerful computers into an advanced network for research and technology development. Governor Blanco supported the commitment by the higher education community of \$5 million over five years to help route this network through our state, instead of bypassing Louisiana. Through these efforts, Louisiana will become a major player in high-performance computing and network technology and secure tremendous economic development gains in the future.

BETTER HEALTH AND SAFETY **FOR LOUISIANA CITIZENS**

HEALTH CARE

Governor Blanco recognizes that Louisiana citizens are demanding access to good-quality, affordable health care. And we must deliver. Like all citizens, she wants a health care system that puts people first.

BALANCED BUDGET SUBMISSION FOR HEALTHCARE. Governor Blanco submitted a responsible and fair budget that didn't hold health care hostage. She also acknowledged that the initial health care budget was a "work-in-progress" and made health care a top priority as additional funding became available. Together, the Administration and the Legislature have been able to add almost \$350 million for healthcare programs. With this addition virtually all of the identified issues, including funding for Charity Hospitals, mental health facilities and the many private providers that serve Medicaid patients were addressed.

The Governor's budget includes \$350 million of additional funds for health care services, addressing all budget restorations requested by Charity Hospitals. Modest increases will provide for an increase in Waiver Slots and LaChoice, a public/private partnership for employer health insurance.

About half of the TANF funded programs, including LA-4, Drug Courts, Teen Pregnancy, Truancy, and After-school programs, will continue using a combination of TANF and State General Fund Moneys. The DSS budget also makes full use of available federal dollars for childcare.

ENCOURAGED REGIONAL INVOLVEMENT BY CITIZENS. Over one thousand citizens participated in the Governor's Health Care Summit and the regional summits. These citizens expressed a strong desire to be a part of the solution. And so, through legislation, Governor Blanco is formalizing the regional models to maintain local input as we work toward reforming our health system.

REFORMING HEALTHCARE WITH EXPERT POLICY. The Governor has appointed an advisory panel and has given it deadlines for bringing recommendations to her for fundamental, long-term, and systemic reform of our state's health care system. An outgrowth of the Louisiana Health Care

Summit, this panel will meet on June 24 in New Orleans and include national experts, legislative leadership, and regional stakeholders. The Governor expects that legislators will be asked to act on these health care reform measures during the next Regular Session.

FOCUSED DOLLARS ON BETTER OUTCOMES. Governor Blanco has directed the Department of Health and Human Services (DHH) to focus on ways to get better outcomes for the health dollars we spend. DHH has begun identifying high-cost patients and services and will use the data it collects to focus resources to improve quality and decrease costs.

CREATED MORE FEDERALLY QUALIFIED HEALTH CENTERS. Governor Blanco proposed and signed into law legislation (SB 690 by Senator Hines and Representatives Broome and Jackson) to continue her push to increase the number of federally qualified health centers (FQHCs). These health centers are private, non-profit, or public clinics that provide preventive care to underserved areas of our state, offering needed lower-cost alternatives to hospital and emergency room care.

CREATED A BETTER NETWORK FOR TRAUMA CARE. In Louisiana, death rates due to trauma are 40% higher than the nationwide average. This is due in part to an unorganized system that has neither connected nor shared patient care data. To address this problem, Governor Blanco backed and signed legislation (HB 272 by Representative Durand and Senator McPherson) that creates the Louisiana Emergency Response Network (LERN). This new system will help trauma centers better communicate with each other so that acute patient care needs will be matched with available hospital resources in a timely manner. The result: More lives saved.

ADDRESSING UNINSURED ADULTS. Additionally, the Governor is continuing to seek innovative ways to provide care to Louisiana's uninsured adult population. This legislative session, the Governor supported legislation (HB 344 by Representative K. Carter and Senator Cheek) to implement the LaCHOICE program, which will allow more opportunities for uninsured workers to have access to private insurance coverage.

IMPROVED INFORMATION SHARING. All fragmented health care systems lead to increased costs. To address that problem, the Governor has instructed DHH to encourage the sharing of information among the various public providers and between public and private providers.

DEMANDED REGIONAL HEALTH INDICATORS FOR BETTER CARE. The Governor has directed DHH to prepare information on health indicators, by region, and will ask leaders in those regions to use this data to help formulate local priorities.

COVERED MORE UNINSURED CHILDREN. Governor Blanco is continuing to make it a priority to enroll more children in the LaCHIP program. Since the Governor's Health Care Summit, there have been over 10,000 more eligible children signed up for LaCHIP coverage. Currently, over 100,000 children in Louisiana now have health insurance as a result of LaCHIP.

SAFETY

REQUIRED MOTORCYCLE HELMETS TO SAVE LIVES. The Governor has called it “common sense” that all riders in Louisiana should wear helmets, and independent research confirms her intuition. After thirty years of gathering statistics, state transportation departments and academics agree: motorcycle helmets save lives while saving money. HB 109 (by Representative Baudoin and Senator Chaisson), supported by the Governor, will make helmets mandatory for all riders. Requiring helmets will reduce fatalities. It will also reduce costs: in a state where so few have medical insurance, the extra safety offered by helmets stands to reduce the frequency and severity of injury, saving our charity hospitals up to \$55 million in medical bills. Louisiana will have fewer deaths, fewer injuries, and extra money for our hospitals – and all because of something as simple as a helmet.

PROVIDED COMMUNITY SUPPORT TO REHABILITATE YOUTH. Governor Blanco has persuaded the Legislature to adopt her regional community-based approach to serving the young people in this system (HB 1363 by Representative Winston and Senator Mount). .

SEPARATED ADULT AND JUVENILE OFFENDERS. For two years, efforts have been underway to improve Juvenile Justice in our state. Earlier this year, the Governor issued an Executive Order that implemented the unanimous recommendation of the Juvenile Justice Implementation Commission to separate youth services from adult corrections. The Governor also proposed and signed into law a bill (HB 1276 by Representative Montgomery and Senator Cravins) to codify these changes and ensure a more just system for our state’s youth.

The Governor’s budget includes \$8 million of new funding for increased community services, separation of Youth Development from the Department of Corrections, and additional capital outlay for a community based secure juvenile facility.

PROVIDED MORE TREATMENT FOR TROUBLED YOUTH. Many children end up in the juvenile justice system as the result of mental illness or substance abuse – two treatable, preventable problems. Governor Blanco supported legislation (SB 193 by Senator Bajoie and Representative Durand) to increase and improve mental health services for youth in the New Orleans area. The La-YES (Youth Enhanced Services) consortium created by SB 193 will empower local stakeholders to help their neighbors, arming them with \$9.5 million to bring additional mental health services to the chronically underserved. This initiative enhances her involvement, already underway, with the National Policy Academy to improve services and treatment for youth with mental illness and substance abuse problems. With stronger policy and stronger funding, thousands of children will benefit from better care of their mental health, growing less likely to turn to crime as children or as adults.